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# FOUR YEAR REPORT



**Secretary of State, Paul Guzzi**

## A Message from the Secretary



I assumed the position of State Secretary on January 15, 1975 with the goal of making this office a forceful and effective advocate of citizen access to government. I believed that we had to become far more than the state's official record-keeper. We had to offer more to the public than passive regulation of interest groups.

These goals could only be met by an aggressive internal reorganization, a hiring policy that stressed talent and not political connections, and the implementation of modern management techniques.

With the cooperation and support of the Legislature, we obtained passage of a law eliminating civil service as a condition of future employment. We consolidated sixteen divisions into nine, placed capable, full-time managers in supervisory positions, and reduced waste and duplication of services. The savings resulting from these efforts allowed us to

develop important new programs. And during this time, we were successful in recruiting many women and minority personnel.

I am very proud to have served as your State Secretary for the past four years. My staff and I could not have implemented the changes we sought without your interest, cooperation, and support. I want to thank you for giving me this opportunity.

Sincerely,

Paul Guzzi  
Secretary of  
the Commonwealth



GOVERNMENT DOCUMENTS  
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## Citizen Information Service

Prior to the implementation of Citizen Information Service, the people of Massachusetts did not have a central referral agency through which to gain access to public services. Too often, those persons "in the know" could gain information on programs, while others remained ignorant of the services to which they were entitled. Moreover, many people did not know how to find basic, but very important, information about their government such as how to register to vote, who their state representative was, and how to apply for a property tax exemption. Citizen Information Service (CIS) was developed as a response to this information gap.

On May 15, 1975 CIS began serving the public. About 100 calls were handled that day, and daily totals have since been steadily increasing. In almost four years of operation, CIS has provided state government information to 180,000 callers via metropolitan and statewide toll-free telephone lines.

CIS now receives about 300 calls a day. In many cases, citizens who previously had been unable to find answers to governmental problems find understanding and assistance in the CIS Division. The staff are trained to discern the implications of callers' inquiries and to offer appropriate and effective responses to their concerns. The staff has been assisted by volunteers and interns, and the needs of the Hispanic



community have been recognized by the employment of a Spanish-speaking staff member.

In response to frequently asked questions, CIS has published a number of brochures. Written in concise, everyday language, these brochures give people necessary facts on subjects ranging from *How to Obtain a Marriage License* to *Property Tax Exemptions for Older Citizens, Widows, and Minors*.

In 1977, CIS inaugurated a statewide program of informational seminars. Held in cities and towns across the state, the seminars featured a panel of experts from state and local agencies to provide information and answer questions on topics of interest and concern to Massachusetts residents.

The reception was so enthusiastic that the seminar series has become another route to the achievement of the primary office objective: to make state government more accessible to every citizen.

## The Bookstore

The Bookstore Division has two major functions: first, to operate the State Bookstore, and second, to distribute the rules and regulations of state agencies.

While Massachusetts agencies published and sold a variety of materials in the past, there was no central clearinghouse for these publications until the State Bookstore opened in June, 1976. Located in the State House, the attractive, self-service store served over 180,000 citizens and generated revenues of some \$140,000 in the last year alone.

Citizens can obtain publications in person, or through the mail. All current materials are listed in widely distributed catalogs. Specialized mini-catalogs are also published which describe offerings of interest to particular audiences such as senior citizens, businesspeople, and election officers.



While the State Secretary has been statutorily mandated to distribute rules and regulations of state agencies for several years, this administration has been the first to fulfill this responsibility.

Since April of 1976 when the first weekly *Massachusetts Register* was issued, agency rules and regulations have been published on a regular and timely basis. As a result, citizens and attorneys doing business with public agencies have ready access to the standards and procedures enforced by state agencies.

The weekly *Register* has been supplemented by a comprehensive *Code of Massachusetts Regulations*, first made available in 1976. Copies of the *Code* have been distributed to all county law libraries and the Social Law Library in Boston. A new, professional quality edition of the multivolume *Code* is now available to the general public. This edition presents each agency's regulations in a readable format. It is updated by looseleaf insertible supplements. A comprehensive index helps users locate regulations relating to a particular subject matter.

## **Elections**

In addition to improving the day-to-day operations of the Elections Division and promoting a better working relationship with city and town election officials, the State Secretary's Office has sought to simplify the voting process and encourage more voters to participate in elections.

## **Improving the Process**

The Elections Division has conducted workshops every year for newly elected or appointed city and town election officers. The division staff has published several booklets to assist the public and local officials in understanding and conforming with the law. A handbook has also been prepared as a training aid for poll workers. These efforts have standardized

procedures and clarified ambiguities in the administration of elections. In addition, \$300,000 has been saved since 1975 as a result of modernizing the elections process and improving ballot preparation.

## **Voter Registration Drive**

Secretary Guzzi initiated a New England-wide voter registration drive during the spring of 1978 to promote more citizen participation in the election process. The drive was co-sponsored by the New England Conference of State Secretaries and the Public Relations Society of America. Committees were formed in each of the six states to register the two million unregistered people eligible to vote, one million of whom reside in Massachusetts.



## Making the Ballot Questions Understandable

Prior to 1975, State Secretaries had issued a highly technical booklet with the legal summaries and texts of the ballot questions to be voted upon in the November elections. Because the questions and summaries were written in complex language, voters often had trouble understanding them.

In 1976 and 1978, the Guzzi administration changed past practices in a successful attempt to comply with the spirit as well as the letter of the law. The office distributed a voter information pamphlet to every Massachusetts household which explained the questions in concise, understandable English. Partially as a result of these efforts, voter interest in the ballot questions was the greatest in the state's history.

## New England Presidential Primary

To increase the impact of Massachusetts voters, Secretary Guzzi lobbied hard for a New England Presidential Primary. He believed a regional election would force candidates to comprehensively address the unique needs of the Northeast.

In September, 1975, the Massachusetts legislature established a March 2nd primary, the same day as Maine's and Vermont's and only one week after New Hampshire's.

The strategy was successful as the 1976 presidential candidates

did talk more about New England's concerns, and the media reflected this new interest.

## Public Financing

Secretary Guzzi has been fully committed to reducing the influence of special, monied interests in the political process. To accomplish this goal, he has sought public financing for all statewide campaigns.

In 1975, he filed legislation to establish public financing beginning in 1978. However, an amendment added during legislative consideration of the bill provided that contributors would have to add a dollar to their taxes rather than to contribute a dollar from existing taxes. The change resulted in far fewer contributions than necessary to adequately fund statewide contests.

## Securities

The State Secretary's Securities Division has aggressively clamped down on fraudulent securities dealers while, at the same time, it has reduced red tape and bureaucracy for legitimate businesspeople.

The most publicized investigation conducted by the division in recent years involved the multi-million dollar swindle perpetrated by Lloyd, Carr and Company, the fraudulent commodity options company.

As a result of complaints against Lloyd, Carr, Secretary Guzzi directed the Securities Division to conduct an extensive investigation into the firm's activities. Based upon these findings, Guzzi issued a "cease and desist" order against the company on December 22, 1977. Guzzi then joined with the North American Securities Administrators Association to create the Commodity Options Fraud Task Force. After extensive investigation, the Task Force developed several recommendations for congressional action to tighten the regulatory system and better protect investors.

Subsequent to the Lloyd, Carr controversy, Guzzi's staff found evidence that similar fraudulent schemes were being utilized to sell diamonds and precious metals. Investigators even found that some former employees of Lloyd, Carr had joined the sales forces of



these companies.

To stop the practice, Guzzi issued "cease and desist" orders against ten companies. Some have since gone out of business while others have modified their sales practices so as not to fall under the State Secretary's jurisdiction.

Massachusetts investors are also benefiting from a new Guzzi-initiated law which requires that copies of all sales and advertising information related to municipal bonds be filed with the Securities Division. A response to the financial collapse of New York City, this law provides investors with a central location where they can examine information on the financial status of communities

before investing.

But the Securities Division has been more than a regulator. It has adopted policies and procedures to make doing business easier in Massachusetts.

The division adopted new regulations reducing by 50% the number of forms which securities firms are required to file. The new rules have permitted the use of forms which meet the requirements of the Securities and Exchange Commission and most other states. In addition, these rules conform Massachusetts' regulations on record-keeping, reporting on financial condition, and office administration with those of the SEC.



## Corporations

Because of poor record-keeping in the Corporations Division prior to 1975, thousands of dollars in uncollected filing fees were lost annually. Not only did this situation cost the Commonwealth money, it prevented the public from finding up-to-date information on companies doing business here.

The Guzzi Administration took four remedial steps to ensure compliance with the law. In 1976, the division conducted random audits of corporations and pursued businesses which had not met filing requirements. The office secured the appointment of a Special Assistant Attorney General so that recalcitrant corporations could be prosecuted with a minimum of delay. In 1977, a computerized system was introduced to make corporate records up-to-date and accessible and to enable the state to identify corporations delinquent in payment of their annual filing fees. And, finally, the Corporations Division recommended that the Office of Administration and Finance require all corporations doing business with state government to swear they were submitting all reports as required by law.

As a result, records on file in the division are more accurate and up-to-date, the state is receiving thousands of dollars in additional fees, and out-of-state corporations are no longer able to evade paying taxes on money they earn from the Commonwealth's taxpayers.

The Corporations Division has also initiated a modern records

storage system utilizing microfiche. The system can be updated easily to provide citizens with the latest corporate information. It combines accessibility with security, and it uses far less storage space than traditional record-keeping systems.

In 1975, the division promulgated the first set of corporation rules and regulations in the Commonwealth's history. These standards have served both as a manual for employees and a guide to the public in dealing with the division.

As with other divisions of the office, the Corporations Division has made an effort to reduce the time and expense of meeting statutory requirements for businesses under its jurisdiction. Corporations no longer must file an annual statement of assets and liabilities, and the number of forms which must be completed has been reduced. As a result, businesses, especially small businesses, have saved thousands of dollars.



### **Massachusetts Historical Commission**

The Massachusetts Historical Commission has aggressively pursued federal grant monies and supported local outreach efforts in order to promote the reuse of existing structures and the revitalization of the Commonwealth's cities and towns.

Under the Guzzi Administration, a combination of local workshops and publications have prompted 32 communities to establish local historical commissions, resulted in 200 Massachusetts additions to the National Register of Historic Places, and yielded 13,000 new additions to the state inventory of historic assets. In addition, particular attention has been given to the identification and protection of the state's archeological resources. Several previously unknown prehistoric sites have been identified and protected so that they can provide important information concerning

the history of our people.

The commission annually receives over \$900,000 under the Heritage Conservation and Recreation Service's Preservation Grants Program. The commission has funded 199 projects since 1975, 84 of which have been completed. Special emphasis has been placed on the funding of historical buildings in economically depressed areas. Massachusetts has received the fifth highest funding in the country under this program and has more individual grant-assisted projects than any other state. The commission expects to receive \$1,666,000 in 1979.

Successful projects have included the preservation of Citizen's Hall in Stockbridge, restoration of the Mechanics Hall in Worcester, rehabilitation of two historic commercial properties in Market Square, Newburyport, and restoration of the U.S.S. *Massachusetts* in Fall River.

Current projects include the conversion of the McLaughlin Elevator Building into housing in the North End, Boston, continued use and preservation of the railroad station in Amherst, and the restoration of the 19th century mill row houses in Mechanics Block, Lawrence.

The Historical Commission has also given financial support to an exciting first-in-the-nation revolving fund entitled the Architectural Conservation Trust (ACT) of Massachusetts. Working with local and state support, ACT provides money for historic restoration and then receives income from the property upon its completion. ACT most recently has funded reconstruction of the Rodman Candleworks in New Bedford and will realize its first income from a completed project this year.



During the last four years, the Archives Division has developed a three-part program designed to better preserve valuable materials, make access to these materials easier, and promote the retention of documents which may someday be of historical significance. Fundamental to this effort has been the planning for a new archival center to be located adjacent to the John F. Kennedy Library at the U.Mass/Boston Campus. The center will, for the first time, provide sufficient space to properly acquire and maintain state documents, undertake document conservation, house and service the growing number of archives users, and develop a full-scale outreach program.

The second part of the division's preservation program is a comprehensive review of existing materials. A shelf-by-shelf check of all holdings has been completed, and the results will soon be made available in a published guide. In addition, many of these documents have been made readily accessible to the public for the first time.

Finally, the division has initiated a systematic survey of all

state agency records. The survey is identifying materials which should be transferred to Archives. An orderly system for retiring agency records to the Archives on a periodic basis is now being established, and as a result, historically important materials from many departments have already been placed in the Archives.

Public use of the archives holdings has risen at the rate of 40% per year over the last two years because of these efforts.

The Archives and its Advisory Board also administer the grant program of the National Historical Publications and Records Commission (NHPRC). This program provides support for projects "intended .... to preserve and make available for use those records .... that further an understanding and appreciation of American history."



The Archives provides NHPRC applicants with all necessary information on the grant program, performs an initial appraisal of suggested projects, encourages interested parties to address problem areas, works with applicants to develop projects that demonstrate the greatest suitability and potential, and forwards all proposals to the National Commission for a final decision on funding.

In the past two and one-half years, Massachusetts organizations have received a total of approximately \$340,000, representing over 10% of the funding available for the entire country. As a result, great progress has been achieved in locating, identifying, and preserving valuable records which embody the history of the Commonwealth.

## Tours and Government Education

The Tours Division was originally established to provide guided tours of the State House, a statutory responsibility of the State Secretary's Office. Prior to 1975, however, tours were given by either volunteers or the Capitol Police, and a serious educational program had not been developed.

Secretary Guzzi began expanding services to visitors almost immediately upon taking office with a view to providing interesting and informative programs to mark the Bicentennial Celebration. Legislation was enacted to keep the State House open on weekends and holidays, and two staff and twenty volunteers were on duty during these times to aid tourists. Over three hundred thousand people

visited the State House between 1975 and 1977, with more than 10,000 present for the bicentennial festivities on July 4, 1976.

In addition to providing more frequent tours, the division trained more than 400 volunteer guides, retrained still others, and initiated a comprehensive educational program.

Prominent among these efforts have been the legislative process tours, begun in 1975. This study tour describes how a bill becomes law and has been taken by more than 5,000 people.

Because government education became a priority in the division, it was renamed the Tours and Government Education Division in 1977. It has developed the children's art and writing contest, in which more than 50,000 school children have participated, pre-tour teaching kits for students of all grade levels, an election course geared to high school students, monthly museum displays in Doric Hall, and nine publications about Massachusetts, its history and its government.



## Public Records Division

The Public Records Division administers and enforces the public records laws of the Commonwealth which relate to the creation, access to, storage, preservation, and destruction, of records held by all jurisdictions of government in the state. In pursuing this mandate, the division has instituted a policy that government records should be available to the public unless there is an overriding policy interest in privacy.

### Records Management

The division administers two major records access statutes. The Freedom of Information Act opens the majority of state and local government records to the public. The Fair Information Practices Act allows individuals access to information about themselves held by state agencies.

So that citizens would not have to resort to time consuming and costly law suits to invoke these statutes, Secretary Guzzi and the division sponsored the "Intervenor Law," which went into effect in January, 1977. Under this statute, persons denied access to public records have a right to appeal directly to the Public Records Division.

A number of important decisions have been rendered under the act including making public the names of delinquent property taxpayers and ordering access to property assessment cards.

The division also provides guidance for proper maintenance

of public records held by towns, cities, and counties. It conducts field surveys to evaluate record-keeping procedures and makes follow-up visits to insure compliance.

### Regulating Lobbyists

In the belief that those who influence decisions in the public forum must be held accountable for their actions and expenditures, Secretary Guzzi moved to strengthen the Massachusetts lobbyists' law.

Guzzi and the division sponsored and actively supported legislation to close the so-called "Christmas Loophole" in the existing lobbyist law.

Under the new law, lobbyists must report expenses made at all times of the year, including the formerly exempt gift-giving period of November 15th to December 31st.

The Public Records Division

also published an informational brochure to make lobbyists aware that no laxity would be tolerated in their interpretation of reporting requirements.

The division has investigated reports of all lobbyists who have failed to register. Following one such investigation, a number of out-of-state auto insurance executives agreed to register as lobbyists.

### Commissions

In 1978, the division commissioned approximately 30,000 public officials, notaries public, and justices of the peace, administering the qualifying oath of office to more than half that number.

Plans have been developed to computerize the division's recordkeeping for gubernatorial appointments. Such a system would provide more accuracy as well as ease in administration.

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### Comparison of Expenses, Fiscal Years 1975 - 1978 in thousands of dollars

| Accounts                    | 1975    | 1976    | 1977    | 1978    |
|-----------------------------|---------|---------|---------|---------|
| 0511-Administration         | \$1,795 | \$1,959 | \$2,055 | \$2,242 |
| 0517-Public Printing*       | 176     | 401     | 244     | 213     |
| 0518-Journals of The House  | 4       | 4       | 4       | 4       |
| 0519-Decennial Census       | 0       | 0       | 0       | 0       |
| 0521-Elections*             | 1,721   | 1,210   | 2,045   | 417     |
| 0522-Lists of Candidates    | 31      | 0       | 40      | 0       |
| 0523-Electoral College      | 0       | 0       | 2       | 0       |
| 0524-Information to Voters* | 348     | 0       | 439     | 11      |
| 0526-Historical Commission  | 63      | 73      | 81      | 90      |
| Totals                      | \$4,138 | \$3,647 | \$4,910 | \$2,977 |

\*Continuing Accounts: unexpended balances at the end of the fiscal year are available in the following fiscal year. 0524-0000 became a continuing account in FY 1978.

Balances Forwarded to FY 1979: 0517-0000 - \$206  
0521-0000 - \$296  
0524-0000 - \$425

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## **Looking Ahead**

The State Secretary's Office has become a highly visible proponent of citizen access to government. Whether in the form of greater availability of agency-held records, prompt information about public services, or more understandable election laws, this access has meant that state government is closer to the citizens who support it.

But this kind of access is not self-perpetuating. The public must take an active interest in seeing that policies and procedures which promote a more open government are sustained.

Citizen access has been a theme of the State Secretary's Office for the past four years. With the public's help, it is a theme which will be continued in the years ahead.





**Secretary of State, Paul Guzzi**